



4 Strawberry St, Philadelphia, PA 19106

\$1,249,000

Old City Short Term Rental Duplex

Rare Lodging House Rental Opportunity in Old City Philadelphia



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Listing Added: Today

Listing Updated: Today

kw PHILLY
KELLERWILLIAMS.

Details

Asking Price	\$1,249,000	Property Type	Multifamily
Subtype	Apartment Building	Investment Type	Stabilized
Investment Sub Type	Short Term Rental	Class	A
Square Footage	1,920	Price/Sq Ft	\$650.52
Cap Rate	7.78%	Occupancy	100%
NOI	\$97,227	Air Rights (sq ft)	3
Units	2	Year Renovated	2024
Buildings	1	Stories	4
Permitted Zoning	R3 zoning category - Visitor Accommodations	Lot Size (sq ft)	434
Price/Unit	\$624,500	Ownership	Fee Simple

Marketing Description

This property is classified under the R3 zoning category, specifically designated for Visitor Accommodations. The property has been legally converted and approved for this use, and the investment requires obtaining the appropriate licenses and managing associated tax obligations.

1. **Obtaining the Hotel Occupancy License:**

- **Application Form:** The new owner must complete the supplemental rental license application form.
- **Details to Provide:** Include the type of occupancy (hotel), the number of units, and the Certificate of Occupancy (CO) which confirms the R3 Visitor Accommodations designation.
- **License Fee:** There is an annual fee for the hotel license, estimated to be approximately \$55

2. **Tax Reporting Responsibilities:**

- **Sales Tax Reporting:** Unlike platforms such as Airbnb, Booking.com does not remit sales tax on behalf of the property owner. Therefore, the owner must report sales tax monthly or quarterly via the Eclipse system and potentially through ETides to the state of Pennsylvania.
- **City Taxes:** The hotel license comes with a registration number, making the owner responsible for the City of Philadelphia hotel and occupancy tax, akin to the lead inspection report and Business Income & Receipts Tax (BIRT) for apartment rentals.

3. **Management and Software:**

- **Short-Term Rental Management Software:** The owner will need to select a management software (e.g., Hostaway or Cloudbeds) to streamline operations and ensure compliance.
- **License Renewal:** Upon acquiring the property, the new owner will need to reapply for the hotel license using the existing CO that designates the property for R3 Visitor Accommodations.

Legal and Formal Compliance

- **Legal Designation:** This property is legally approved as an R3 Lodging House Accommodations building. The Certificate of Occupancy and the approved plan confirm its legitimate use.
- **No Gimmicks:** There are no hidden complexities or gimmicks. The conversion and use of the property are transparent and comply with city regulations. The hotel license tax number is a mere formality for reporting purposes.

Conclusion

Investing in this property involves straightforward steps of licensing and tax compliance. With the proper setup and management, this investment in an R3 designated Visitor Accommodations building offers a legitimate and potentially profitable opportunity. The process is designed to ensure the property meets all regulatory requirements, providing a clear path for new ownership and operation.

Beautifully Furnished Historic Townhouse in Center City-Old City neighborhood. Next Door to all shopping, nightlife, & Metro. 2 blocks from Liberty Bell & NYC Megabus to Manhattan, Philly Tour Bus and Museums. Available for Long Term or Monthly rentals. Updated kitchens, bathrooms, and interior! You will be just steps away from the Market Frankford Line's 2nd Street Station, Dozens of Restaurants, 5 min Walk to Penns Landing waterfront, 5 minute Uber to the Rivers Casino. The 2 unit Lodging House (3 bedroom 1.5 bathroom & studio unit) the heart of old city Philadelphia. Corner of Market and Strawberry street. Steps (1 min walk) to the market Frankfort blue line subway, steps from all the nightlife and restaurants, cvs, and other attractions. Climate control in every room. Utilities Included (Electric, Water, Gas,).

This building would make an excellent addition to your portfolio. Contact us today to learn more about this exciting investment opportunity.

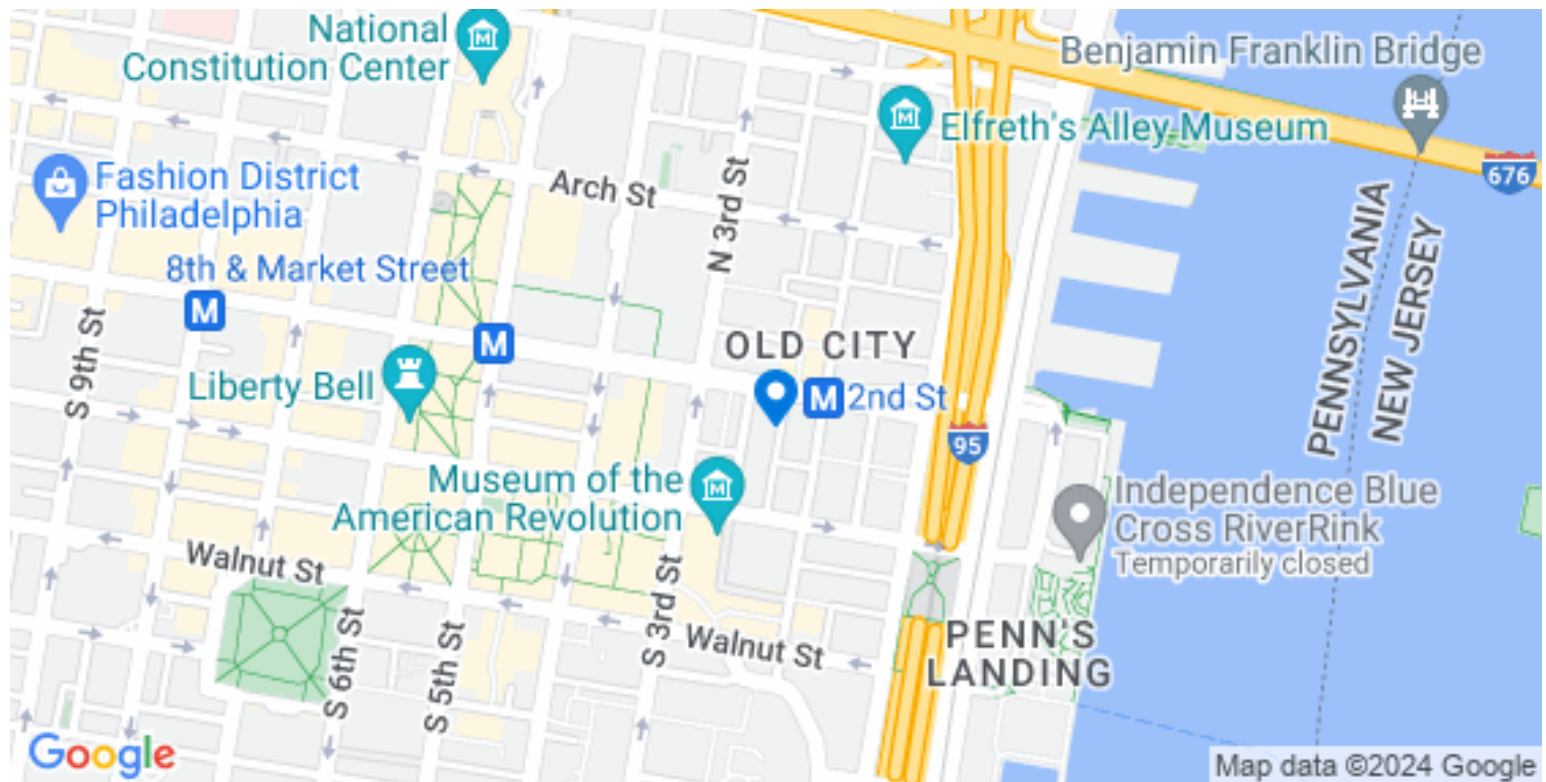
Investment Highlights

OM: <https://new.express.adobe.com/webpage/Qw39tBRu6ibdN>
(<https://new.express.adobe.com/webpage/Qw39tBRu6ibdN>)

Rare Lodging House Rental Opportunity in Old City Philadelphia

- Projected: \$116,640 Gross Rent [Based On 80% Occupancy] Annually
- Legal duplex [studio] & [3 bed 2 bath]
- R-3 Zoning Lodging House Accommodations
- Fully sprinklered, compliant fire monitoring system, full wifi locks & cameras
- One of the top hottest tourist destinations in the country
- Currently fully occupied
- Furniture, wifi system, cameras and short term rental equipment included in sale

Location (1 Location)



Property Photos (33 photos)

